

# **FAUQUIER COUNTY, VIRGINIA**

## **PLANNING FOR ECONOMIC DEVELOPMENT**



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**Fauquier County Economic Development Advisory Council**

**Chairman: Supervisor Sharon Grove McCamy**

**April 2001**

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## EXECUTIVE SUMMARY

This report prepared by the Fauquier County Economic Development Advisory Council presents findings and recommendations to guide balanced economic development efforts as requested by the Fauquier County Board of Supervisors. The Plan is designed to support the Fauquier County Comprehensive Plan.

The key elements of the Plan are as follows:

- Economic Development Mission Statement: To develop and recommend flexible programs to position Fauquier County for economic growth in tax revenue and employment in a manner consistent with the goal of preserving the natural and cultural heritage of Fauquier County.
- Principle Goal of Economic Development: The goal of the Plan is to establish a vital and diverse economic base for Fauquier County.
- Plan Implementation: The Economic Development Advisory Council and the Department of Economic Development were established to facilitate and to implement the Plan.
- County Initiatives: Significant new and long term initiatives to facilitate a sound economic future have been addressed by the Fauquier County Board of Supervisors.
- Existing Business Program: Supporting and assisting the County's existing businesses is identified as a critical programmatic element through a series of sub-committee reports.

Business-to-Business Mentoring	Performance Measurements
Business Migration Review	Economic Opportunities Fund Review
Education and Training Opportunities	
- Target Business Program: The following five categories are identified as target areas to maintain a diversified economic base for the County:

Agriculture	Foundations/Non-profit Organizations	Low Impact Manufacturing
Technology	Tourism	

**BACKGROUND**  
**ECONOMIC DEVELOPMENT ADVISORY COUNCIL**

## **RESOLUTION**

### **A RESOLUTION TO EXPAND THE COMPOSITION OF THE ECONOMIC DEVELOPMENT ADVISORY COUNCIL AND DESIGNATE THE DEPUTY COUNTY ADMINISTRATOR AS THE COUNTY ADMINISTRATION REPRESENTATIVE**

WHEREAS, the Board of Supervisors is committed to establishing an enhanced economic development program for Fauquier County; and

WHEREAS, the Board of Supervisors on June 7, 1999 approved the first year implementation plan and Economic Development Strategic Plan planning outline; and

WHEREAS, the Board of Supervisors recognized the essential benefit of community-wide participation in the development and implementation of the Economic Development Plan; and

WHEREAS, the Board of Supervisors established the composition of the Economic Development Advisory Council on September 7, 1999; and

WHEREAS, the Chairman of the Economic Development Advisory Council has determined that the composition should be amended to reflect the substitution of the Deputy County Administrator, as a non-voting member, for the County Administrator consistent with the Board of Supervisors approved reorganization plan; now, therefore, be it

RESOLVED by the Fauquier County Board of Supervisors this 7<sup>th</sup> day of February 2000, That the Board of Supervisors does hereby amend the composition of the Economic Development Advisory Council as follows:

- Board of Supervisors Representative
- Chairman of the IDA
- Deputy County Administrator
- Chamber of Commerce, Designee
- Agricultural Advisory Committee, Designee
- Marshall Business & Residents Association, Designee
- Southern Fauquier Business Owners Association, 2 Designees
- The Plains Business & Professional Association, Designee
- Partnership for Warrenton, Designee
- Vint Hill EDA, Designee
- Town of Warrenton, Designee
- Executive Director of PD-9
- At large seats (5):
  - Technology
  - Manufacturing
  - Retail/ Service Industry
  - Education
  - Fauquier Retail

and; be it

RESOLVED FURTHER, That the Board of Supervisors does hereby appoint David C. Mangum to the at large position representing Fauquier Retail.

**MISSION STATEMENT**  
**FAUQUIER COUNTY ECONOMIC DEVELOPMENT**

To develop and recommend flexible programs to position Fauquier County for economic growth in tax revenue and employment in a manner consistent with the goal of preserving the natural and cultural heritage of Fauquier County.

## **FAUQUIER COUNTY ECONOMIC DEVELOPMENT GOALS & OBJECTIVES**

### **Short Term Goals**

- Develop recommendations for implementation of a professional Economic Development Department.
- Recommend a two-year departmental budget.
- Recommend a department work plan.
- Establish working relationships with economic development professionals in the Town of Warrenton, the Vint Hill Economic Development Authority, the Virginia Economic Development Partnership, the Fauquier Industrial Development Authority, the Agricultural Development Officer, the Northern Virginia Economic Development Coalition, Planning District 8 and Planning District 9.
- Protect and support existing industry.

### **Long Term Goals**

- Recommend and implement a long-term interactive and comprehensive marketing program.
- Develop a uniform economic incentive program designed to encourage business development.
- Establish and expand participation with State and Federal agencies and regional organizations designed to position the County as a viable partner in economic expansion.
- Communicate current and future employment needs and support efforts to develop a well-educated and trained local labor force.
- Support efforts to develop a future local labor force.
- Communicate knowledge of existing workforce entities to business prospects.
- Support the development of agriculture and natural resources as an important element of the economy.
- Support development of tourism and the travel industry as an important element of economic development.
- Recommend a strategy for appropriate targeted industry for economic expansion.
- Recommend the publication of an annual report to reflect the County's current economic goals and achievements.
- Protect and support existing industry.

**ECONOMIC DEVELOPMENT  
INITIATIVES**



## **FAUQUIER COUNTY ECONOMIC DEVELOPMENT INITIATIVES**

The Fauquier County Board of Supervisors have proactively undertaken new and long-term steps to establish and support a sound economic development program.

### **Initiatives – 1999-2001**

- An on-going comprehensive review of the County service districts, which are the County's designated infrastructure areas for targeted growth. There are nine service districts: Bealeton, Calverton, Catlett, Marshall, Midland, New Baltimore, Opal, Remington, and Warrenton.
- The establishment of the Economic Development Advisory Council (EDAC) to review and make recommendations on items relative to maintaining a strong and vibrant local economy. The EDAC consists of business leaders representing various sections of the County. The emphasis is on creating a positive economic environment for business growth.
- Establishment and funding of a Department of Economic Development as a department level office designed to encourage business retention and development.
- Funding a Labor and Wage Study to determine the availability of the labor supply, the level of training of the labor supply, and the level of cost demanded by the labor force.
- Supporting the establishment of a Virginia Small Business Development Center to be located at Lord Fairfax Community College in Fauquier County. The center is one of the Virginia Department of Business Assistance programs across the state providing technical assistance for start-up and existing businesses.
- Support for a Small Business Incubator Study on the County level for Vint Hill and on the regional level with the Rappahannock-Rapidan Planning Commission. These studies will help determine the feasibility of establishing such incubators for small start-up businesses, particularly technology businesses.
- The establishment of a Technology Task Force to recommend changes to the County process of issuing business licenses. The Task Force recommendations reviewed by the Board of Supervisors will ease the process while moving the County forward to a stronger e-commerce government
- A special BPOL Review Commission created to evaluate the impact of the Business, Professional, and Occupational License tax on the businesses within the County. The evaluation has resulted in a broad-based review of the level revenue generated and the process for maintaining a source of business development data.
- Support for Agriculture Development by supporting the Agricultural Advisory Committee and programs such as the Home Grown Dinner, the Fall Farm Tour, production of an Agriculture Product Directory, and hiring of a professional Agricultural Development Officer.

### **Long Term County Initiatives**

- Water / Sewer Infrastructure Development: The development of infrastructure is necessary to the success of a business growth program. Fauquier County does, to a large degree, make provisions for the development or extension of water and sewer services by the Fauquier County Water and Sanitation Authority (WSA). The Board of Supervisors established a Utility Fund in 1999 to facilitate infrastructure development.
- Telecommunications infrastructure: Telecommunications infrastructure is crucial to technology as well as non-technology business development. Such infrastructure development is the responsibility of telecommunications companies. The critical link is a cooperative willingness on behalf of local government and utility sectors to work together. Both benefit from this joint partnership to provide high-speed communications wiring.
- Local, Regional, and State Cooperation: Within Fauquier County, the County Department of Economic Development, the Town of Warrenton Economic Development Office, and the Vint Hill Economic Development Authority share common and overlapping responsibilities. (The ability for each of these separate entities to work together is critical to a successful local initiative.) Close participation between the Rappahannock-Rapidan Planning Commission and the Virginia Small Business Development Center located at Lord Fairfax Community College enhances the Fauquier County Program.
- Higher Education: The Fauquier Campus of Lord Fairfax Community College has provided a focus and location for several new economic development initiatives that support existing businesses and attract new businesses to the area. Aside from offering a quality workforce and academic training, LFCC has been one of the co-creators of the newly formed Fauquier Technology Alliance, has helped to bring to fruition a new Small Business Development Center at the Fauquier Campus, and has actively supported business incubator studies. These educational opportunities help strengthen the local workforce development program.
- Maintaining an Agrarian Presence: Agricultural development maintains a role in economic development in both traditional and non-traditional development. Traditional agricultural development and non-traditional agricultural pursuits are important to maintaining quality of life for the County while supporting a historically significant local industry.

## **EXISTING BUSINESS CLIMATE**

## STATISTICAL REVIEW

### 1. Population Growth

1990	1999-2000	Increase	Growth Rate
48,943	55,000	6,057	12.3%

### 2. Employment Growth

1990	1999-2000	Increase	Growth Rate
26,541	29,470	2,929	11%

### 3. Real Property Tax Revenue by Source

Type	Valuation	% of Total
Commercial & Industrial	387,275,800.00	10 %
Agricultural	808,032,100.00	21 %
Residential	2,656,247,900.00	69 %
<b>Total</b>	<b>3,851,555,800.00</b>	<b>100 %</b>

### 4. Personal Property Tax Source

Type	Taxes (000s)	% of Total
Business Property	2,316,310.70	11 %
Machinery & Tools	363,245.44	2 %
Indv. / Residential	18,124,806.16	87 %
<b>Total</b>	<b>20,804,362.30</b>	<b>100 %</b>

### 5. Labor Analysis

#### Unemployment

1990	2000	Change	
2.5%	1.1%	1.4% decrease	

#### Per-Capita Income

1990	2000	Increase	Growth Rate
\$25,164	\$31,228	\$6,064	24%

% Out Commuters – 49%

### 6. Housing

#### Housing Units

1990	2000	Difference	Change
17,716	19,000	1,284	7.2%

#### Average Selling Price

1990*	2000	Difference	Change
\$176,700	\$237,312	\$60,612	34%

#### Median Price

1990*	2000	Difference	Change
\$138,800	\$176,500	\$37,700	27%

\* Greater Piedmont Association of Realtors – Fauquier Multiple Listing Service – Comparable Activity Digest 1990

## EXISTING BUSINESS EVALUATION

In preparation for the development of an Economic Development Plan, the Economic Development Advisory Council (EDAC) established five sub-committees to evaluate areas important to assisting business development.

### EVALUATION SUMMARY

- **Business-to-Business Mentoring**  
It is important to establish a network of inter-business support systems for new and existing business development.
- **Business Migration Review**  
It is important to determine migration trends of businesses into Fauquier County from other areas to ascertain the types and nature of businesses on which to base a business focus model. Of equal importance, is the tracking of businesses leaving the County as a determination of what categories are not best suited and/or to determine factors influencing the out-migration, so as to better understand or preclude any out-migration trend.
- **Performance Measurements**  
To chart success or failure, a system must be in place to monitor changes in economic growth trends. The recommendation to establish this measurement is to review the trend in business revenue during a 5-year period, with the understanding that national economic occurrences play a strong role in economic growth on the local level.
- **Economic Opportunities Fund Review**  
This represents a dedicated fund established within the County budget to be available to address unforeseen requirements that may hinder the location or expansion of a business to or within Fauquier County. Such unforeseen requirements may include, but are not limited to, infrastructure development, unforeseen site development required by code, employment development assistance, or special “closing” requirements to bring the location to reality.
- **Education and Training Opportunities**  
Critical to business location and growth is the availability of education and training opportunities in Fauquier County. An inventory of programs and sources of opportunities is a crucial component of a successful program.

## **TARGETED BUSINESS REVIEW**

## **TARGETED BUSINESSES LOCATION FACTORS**

To be successful in diversifying the economic base of Fauquier County, an assessment of the business development potential is needed. As a component of the Labor and Wage Study funded by Fauquier County, an element of the study focused on an assessment of the potential assets and deterrents for business location.

The areas considered most important for manufacturing business location included: “work force,” “transportation,” and “accessibility to markets.” However, the most important factor was “government attitude.” These factors for technology would shift somewhat with more emphasis on “quality of life,” “work force,” and “Supply resources.” Government attitude will continue to be important, but not the number-one concern.

In summary, the report concludes that Fauquier County does have the attributes that make it a prime area for business growth.

- The area’s access to Interstate 66 is a positive transportation factor
- Rail and trucking services are good
- Proximity to Washington Dulles Airport is positive
- All utilities services are reported to be reliable
- The cost of natural gas is low and electricity cost is moderate
- Property taxes are low
- The workforce possesses a variety of skills and diverse experience
- The workforce quality is good, but it would not be considered to be low cost. Business recruitment targets should be those companies requiring better skills and higher quality in its employee base
- Annualized operating costs in the area are moderate compared to other areas

The lack of available space for lease in the area is a primary weakness. This deficiency outweighs the positive factors leading to new and/ or expanding economic growth.

## **TARGETED BUSINESS REVIEW SUMMARY**

Targeted business development for Fauquier County includes five business categories. These categories emphasize the desire of the County government and citizenry to increase the tax revenue potential, maintain the existing business base, and protect the quality of life and environmental characteristics of Fauquier County. The target growth areas represent the importance of a balanced and diverse economic base necessary to maintain a stable economic future for Fauquier County.

- **Agriculture:** This sector has a strong base for expansion in both new and existing operations. Agriculture must be reviewed relative to maintaining the existing agricultural enterprises of farms and related retail. However, there is potential for new ventures such as agriculture research and development and biotechnology. These two agricultural focuses must be balanced and reviewed as to their highest and best potential for Fauquier County.
- **Foundations/ Non-profit Organizations:** This business sector has requirements to locate close to, but outside of, large metropolitan areas. Cost and access problems are the reasons most often cited. Such agencies, associations, and foundations do locate in high caliber, quality of life sensitive, stable jurisdictions, such as Fauquier County. They can continue to access their focus area, Washington D.C., while enjoying a more favorable, less intrusive business location.
- **Low Impact Manufacturing:** A manufacturing component dedicated to partial or finished products denotes this category of companies. Of significance is the reassurance that the process of manufacturing and/or the finished-product production will have a positive impact on the County's environment and quality of life, while providing employment and positive tax benefits.
- **Technology:** This sector is important for two reasons: (1) Fauquier County's location adjoining the Northern Virginia technology core and (2) A technologically trained labor force currently commuting to technology-related jobs in adjacent communities. This sector is significant considering the high number of technology firms represented by the Fauquier Technology Alliance and the strong employee base for technology present in the County.
- **Tourism:** Two key components of Tourism, Heritage Tourism and Agricultural Tourism can be significant to Fauquier County. Heritage Tourism creates unique opportunities for the development of a regional identity and area visitation without negative impact on local resources. Agricultural tourism provides a positive economic impact to the County while supporting the Agricultural community. Fauquier County's close proximity to a major urban center provides a ready market for tourism-related activities.



## **IMPLEMENTATION CONCEPTS**

## **AGRICULTURE**

### **Business Climate**

- Encourage the continuation of existing and establishment of needed agricultural support services
- Support and promote planning and regulatory measures that protect agricultural areas and promote the agricultural economy
- Encourage and support the creation and augmentation of agricultural districts
- Encourage and foster development of value-added facilities locally, regionally, and statewide
- Maintain a “policy” that is agriculture friendly
- Evaluate an effective Land Use policy that encourages productive farming practices and maintains open land
- Foster tourist marketing cooperation between specialty crop and livestock farms and local business

### **Workforce**

- Develop youth interest and knowledge of agriculture and agribusiness with a hands-on participation program developed in conjunction with Extension’s 4-H program and the Middle and High Schools’ agricultural curricula and vocational training programs
- Ag Product Directory – provide citizens with a free, valuable resource for locating agricultural products and services
- Determine agricultural labor force demands
- Direct marketing initiatives for alternative agriculture

### **Sites, Buildings, and Infrastructure**

- Investigate, survey, and report on agriculture infrastructure
- Explore demand for value-added and market-oriented facilities
- Explore establishment of a Purchase of Development Rights (PDR) program for preserving farmland

### **Economic Development Efforts**

- Host the “HomeGrown” Dinner – An annual feast of Fauquier-grown food and show of Fauquier-made products
- Promote the Fall Farm Tour – A two-day tour of county farms to build goodwill, educate consumers, and market locally grown farm products and services
- Publish Ag Product Directory – a local free marketing guide for farmers and Ag-service providers
- Update and promote the Agriculture Development Internet “home page” – A world wide marketing tool containing the same information as the Ag Product Directory but with substantially more “links”
- Promote use of the Fauquier “HomeGrown™” Label
- Develop greater cooperative marketing opportunities between Fauquier Farms and local business
- Promote and enhance local farmer’s markets
- Promote and foster the livestock industry
- Promote the equine industry
- Promote the fruit and wine industry
- Promote and encourage good land stewardship and “best management practices (BMPs)”

## **FOUNDATIONS/ NON-PROFITS**

### **Business Climate**

- Maintain the County's reputation for having both a high quality of life in a rural setting and ease of access to metropolitan Washington and its major airports

### **Workforce**

- Promote availability of existing skill sets possessed by Fauquier residents to fill a wide variety of requirements for a modern office-service organization
- Facilitate the linking of qualified people with workforce needs
- Work with educators (i.e. the public schools, LFCC, and other educational institutions) and the private sector (e.g. the Chamber of Commerce) to address workforce preparation

### **Sites, Buildings, and Infrastructure**

- Facilitate the provision of high-speed communication, water, and sewer in the nine County service areas
- Maintain an interactive repository of available office space and building sites conducive to low-impact office-type business, including business condominiums for smaller associations, foundations, and non-profit organizations with similar missions
- Establish tax policies and County incentives to encourage the creation of office facilities through adaptation of existing buildings or the construction of new buildings
- Consider measures to improve public transportation links with metropolitan Washington and the Reagan National and Dulles Airports, (e.g. buses to the existing subway and rail connections)

### **Economic Development Efforts**

- Promote the County as a desirable location through not-for-profit organizations already in the County
- Broaden recognition of the County's attributes through sponsorship and promotion of events and processes focused on different aspect of the non-profit sector
- Include national and regional trade and professional organizations, foundations, and other not-for-profit groups in marketing efforts directed at the office-focused service industry, with particular emphasis on large Washington metropolitan area membership organizations, which could separate member service departments from activities requiring a daily presence in Washington D.C.
- Market the County's rural and agricultural environment as an appropriate location and "demonstration area" for groups focused on rural areas, equine/equestrian activities, agriculture, hunting, fishing, conservation, and environmental preservation.

## **LOW IMPACT MANUFACTURING**

### **Business Climate**

- Determine the number of existing industrial businesses by sector and size
- Survey existing industrial businesses to understand their wants, needs, frustrations, and suggestions
- Identify and establish an environment where our existing and new businesses will thrive
- Maintain the County's excellent quality of life
- Enhance the County's ability to meet new governmental service demands without tax rate increases

### **Workforce**

- Develop data on out-commuting and underemployment and unemployment
- Create opportunities for our citizens to work in safe, lucrative jobs in Fauquier County

### **Sites, Buildings, and Infrastructure**

- Ascertain industrial property vacancies and historic vacancy rates
- Determine the amount of land composition planned for or zoned for industrial uses
- Review creation of industrial and business parks in the County
- Review the proffer system on existing, unimproved industrially zoned properties
- Determine the availability of land that has or will have adequate utility and transportation infrastructure
- Review the building and planning approval process with the goal of improving and/or expediting the process
- Encourage higher density industrial/ business zones to lessen the geographic/ economic transportation impact

### **Economic Development Efforts**

- Seek benchmarking data from other localities in terms of tax base mix and other desirable targets
  - Develop economic development direction consistent with the approved Fauquier County Comprehensive Plan
  - Attract businesses that are capital and tax value intensive
  - Attract businesses that are quality of life neutral and tax positive
- Develop plan to reduce reliance on residential tax base by broadening the industrial tax revenue base

## **TECHNOLOGY**

### **Business Climate**

- Conduct periodic reviews of technology business climate relative to others
- Establish performance measures for attracting, retaining, and growing technology businesses, measured against own expectations and peers
- Improve reputation through communication, sponsorship, and promotion of technology-friendly processes and events
- Encourage cooperation and joint marketing of targeted technology growth areas (e.g. Vint Hill)
- Promote the growth and credibility of the Fauquier Technology Alliance

### **Workforce**

- Monitor technology workforce supply and demand by communicating with technology companies and measuring of workforce
- Facilitate the linking of qualified people with workforce needs
- Work with public schools, LFCC, and other educational facilities to address workforce preparation for technology requirements
- Promote availability of resources and programs to create efficient and effective benefits provision at technology businesses
- Target technology industries for future growth and plan to meet their workforce needs
- Communicate with technology businesses about availability of funding from federal, state, and local agencies for workforce training

### **Sites, Buildings, and Infrastructure**

- Facilitate the provision of high-speed communication at sites designated for existing and future technology development
- Establish and maintain an interactive repository of available office space and building sites conducive to technology businesses
- Establish technology zones in appropriate areas
- Encourage private development of flexible office space conducive to technology company needs

### **Economic Development Efforts**

- Develop procurement policies that provide preference to County-based technology companies for County government technology requirements
- Promote and strengthen relationship with the Fauquier Technology Alliance
- Define a long-term approach for bringing Fauquier County jobs and investment from technology businesses in Northern Virginia
- Perform an assessment of large business near Fauquier County to determine technology support opportunities that may be available for current and potential Fauquier County technology businesses
- Strengthen relationships with other economic development groups at the federal, state, and local levels (e.g., Small Business Development Center, VEDP, CIT, NVTC)
- Identify and pursue relevant Virginia State Programs to provide incentives or special consideration for technology companies (e.g., Technology Zone designations)

## **TOURISM**

### **Business Climate**

Create widespread community support for participation in a quality tourism program.

- Analyze and review the status of tourism
- Create benchmarks and measure tourism climate
- Expand awareness of the tourism program
- Develop systematic liaison process for tourism organizations and economic development offices
- Further develop central clearinghouse for tourism information

### **Workforce**

Support development of training/education opportunities for the County's current and future workforces that are linked to the needs of tourism.

- Regularly communicate with businesses regarding tourism issues and programs
- Provide hospitality training and education
- Develop and provide training materials and information resources for workforce

### **Site, Buildings, and Infrastructure**

- Develop and promote tourism opportunities.
- Promote preservation of historic structures and sites
- Update inventory of tourism destinations
- Assess the need for improved signage in the community
- Encourage tourism related use of historic buildings

### **Economic Development Efforts**

Create and expand income derived from tourism and tourism-related businesses and activities.

- Develop the "hubs & spokes" concept of tourism
- Strengthen mutually beneficial relationships with state and other economic development allies
- Develop tourism sites and activities
- Develop expanded agriculture, eco, and heritage tourism opportunities
- Encourage and build on conference resources, destination lodging, and bed & breakfast